

## Message Text

UNCLASSIFIED

PAGE 01 STATE 125134  
ORIGIN EB-07

INFO OCT-01 ARA-10 EUR-12 EA-09 ISO-00 H-02 AID-05  
CIAE-00 COME-00 FRB-01 INR-07 NSAE-00 USIA-15  
TRSE-00 XMB-04 OPIC-06 SP-02 EPG-02 OMB-01 NSC-05  
SS-15 STR-04 CEA-01 PA-02 PRS-01 /112 R

DRAFTED BY EB:AFWATSON:DLS

APPROVED BY EB:PHBOEKER

EUR/WE:KSMITH

H:RPUGH

EB/IFD/OMA:CHERVIN (INFO)

-----312239Z 012462 /64

P 312118Z MAY 77

FM SECSTATE WASHDC

TO AMEMBASSY BERN PRIORITY

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY CARACAS

AMEMBASSY DUBLIN

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

AMEMBASSY VIENNA

UNCLAS STATE 125134

ALSO FOR USEEC

E.O. 11652: N/A

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 125134

TAGS: EFIN, PO

SUBJECT: CONGRESSIONAL STATUS OF PORTUGUESE LOAN

REF: LONDON 08955 (NOTAL); STATE 122958

1. WASHINGTON POST MAY 28 REPORTED THAT HOUSE APPROPRIATIONS COMMITTEE HAS REFUSED TO APPROVE \$300 MILLION LOAN TO PORTUGAL. WE PRESUME THAT FINANCIAL TIMES ARTICLES OF MAY 31 (SEE REFTEL) IS BASED ON SAME INFORMATION.

2. ARTICLES ARE NOT, REPPEAT NOT, ACCURATE. DURING ITS MARK-UP LAST WEEK OF THE FY-78 FOREIGN ASSISTANCE APPROPRIATION BILL, THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON FOREIGN OPERATIONS DEFERRED CONSIDERATION OF THE \$300 MILLION THE ADMINISTRATION REQUESTED FOR PORTUGAL UNTIL IT COULD HOLD A HEARING ON THE SUBJECT. (THE SUBCOMMITTEE HAD NOT SCHEDULED A HEARING EARLIER BECAUSE THE FORMAL ADMINISTRATION REQUEST FOR THE REQUISITE BUDGET AMENDMENT WAS SENT TO THE CONGRESS ONLY AFTER THE MARK-UP HAD BEGUN.) THE TIMING OF THE HEARING WAS DISCUSSED BY SUBCOMMITTEE MEMBERS DURING THE MARK-UP SESSION AND THEY AGREED THAT IT SHOULD BE HELD PRIOR TO CONSIDERATION OF THE BILL BY THE FULL APPROPRIATIONS COMMITTEE, NOW TENTATIVELY SET FOR THE WEEK OF JUNE 13. SUBCOMMITTEE STAFF CONFIRMED AGAIN TODAY THAT A HEARING

WOULD BE HELD SOON, PROBABLY THE WEEK OF JUNE 6.

3. OUR SOUNDINGS INDICATE STRONG SUPPORT ON THE SUBCOMMITTEE FOR APPROPRIATION OF THE \$300 MILLION FOR PORTUGAL. CONSEQUENTLY, WE EXPECT THE SUBCOMMITTEE TO RECOMMEND THAT THE FULL COMMITTEE INCLUDE THIS AMOUNT IN THE FOREIGN ASSISTANCE BILL IT WILL REPORT OUT.

4. LEGISLATION AUTHORIZING THE \$300 MILLION FOR  
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 125134

PORTUGAL WAS ALREADY APPROVED BY THE HOUSE. IT WAS INCLUDED IN THE SECURITY SUPPORTING ASSISTANCE AUTHORIZATION BILL WHICH PASSED THE HOUSE MAY 24. THE SENATE IS SCHEDULED TENTATIVELY TO TAKE UP ITS SSA AUTHORIZATION BILL JUNE 9. FOREIGN RELATIONS COMMITTEE STAFF ADVISES US, HOWEVER, THAT IT MAY SLIP A WEEK.

5. SENATE APPROPRIATIONS SUBCOMMITTEE ON FOREIGN OPERATIONS DOES NOT PLAN TO BEGIN ITS MARK-UP OF THE FOREIGN ASSISTANCE APPROPRIATIONS BILL UNTIL AFTER THE HOUSE APPROPRIATIONS COMMITTEE HAS ACTED AND UNTIL THE SENATE HAS PASSED THE AUTHORIZING LEGISLATION. FLOOR ACTION ON THE APPROPRIATIONS BILL IN THE HOUSE AND SENATE PROBABLY WILL NOT OCCUR UNTIL LATE JUNE OR EARLY JULY.

6. POSTS SHOULD DRAW UPON THIS MESSAGE TO RESPOND TO HOSTGOVERNMENT INQUIRIES ABOUT CONGRESSIONAL ACTION ON \$300 REQUESTED FOR PORTUGAL. POSTS SHOULD EMPHASIZE

THAT THE ADMINISTRATION IS CONFIDENT THAT THE FUNDS WILL  
BE AUTHORIZED AND APPROPRIATED BY THE CONGRESS. CHRISTOPHER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, FOREIGN ASSISTANCE PROGRAMS, FINANCIAL AGREEMENTS, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 31-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE125134  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** AFWATSON:DLS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770193-0830  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977051/aaaaaawk.tel  
**Line Count:** 118  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** a927c486-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 LONDON 8955, 77 STATE 122958  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 27-Dec-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2313535  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CONGRESSIONAL STATUS OF PORTUGUESE LOAN  
**TAGS:** EFIN, PO, US  
**To:** BERN BONN MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/a927c486-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009